

MINUTES OF THE CITY COUNCIL

SAN JOSÉ, CALIFORNIA

TUESDAY, OCTOBER 30, 2001

The Council of the City of San Jose convened in Adjourned Regular Session at 1:40 p.m., for a joint meeting with the Redevelopment Agency in Council Chambers at City Hall.

Present: Council Members: Campos, Chavez, Cortesé, Diquisto, LeZotte, Reed,
Shirakawa Jr., Williams, Yeager; Gonzales
Absent: Council Members: Dando. (excused)

ORDERS OF THE DAY

Upon motion by Council Member seconded by Council Member and unanimously carried, the Orders of the Day and the Amended Agenda were approved. Vote: 10-0-1-0.
Absent: Dando

Joint Redevelopment Agency/City Council Items 7.1 and 4.1 were heard together.

CIVIC PLAZA

7.1 Approval of a Purchase and Sale Agreement with the Emergency Housing Consortium, Inc., for the acquisition of 26-28 South Fifth Street and a Relocation and Development Agreement with Emergency Housing Consortium for the Our House Youth Shelter project.

- (a) Approval by the Agency Board of a Purchase and Sale Agreement with EHC, in the amount of \$752,500, plus related closing costs for the acquisition of 26-28 South Fifth Street within the Civic Plaza Project Area;**
- (b) Adoption of a resolution by the City Council approving the disposition of property located at the northeast corner of South Third and East William Streets to the Emergency Housing Consortium, accepting the 33433 Summary Report, and finding that the disposition of the property will assist in the elimination of blight and that the consideration for the property is not less than the fair reuse value for the proposed use, with the covenants and conditions and development costs authorized by the Relocation and Development Agreement;**
- (c) Adoption of a resolution by the Agency Board approving a Relocation and Development Agreement and authorizing the Executive Director to execute ancillary documents contemplated by the Relocation and Development Agreement and to close escrow and dispose of the property described in the Relocation and Development Agreement subject to compliance with the terms of the Relocation and Development Agreement, and to negotiate and execute amendments to the Relocation and Development Agreement substantially in conformance with the intent of the Relocation and Development Agreement as reasonably necessary to conform to lender requirements.**

(Deferred from 10/23/01, Item 7.1)

CEQA: Resolution No. 68905

HOUSING

4.1 Approval of a Purchase and Sale Agreement with 480 South Third Street Partners, in the amount of \$800,000 plus related closing costs, for the acquisition of 480 S. Third Street (APN:467-47-101), for the proposed relocation of the Emergency Housing Consortium Youth Facility.

Documents Filed: (1) Memorandum from Redevelopment Agency Executive Director, Susan F. Shick, dated October 30, 2001, recommending the Redevelopment Agency Board and the City Council approve said action. (2) Memorandum from Redevelopment Agency Executive Director, Susan F. Shick, dated October 30, 2001, recommending the Redevelopment Agency Board approve said agreement relating to the acquisition.

Discussion/Action: The following individuals spoke in favor of the proposed acquisitions: Susan Marsland, Jim Craford, Ken Podgorsck, Barry Del Buono, Candy Capogrossi, Jerome J. Dymora III, Fil Maresca, Lisa Jensen. Speaking in support of the recommended action in Items 7.1 and 4.1, Council Member Chavez stated the Emergency Housing Consortium's the "Our House Youth Shelter" facility is within the Civic Plaza area and must relocate to make way for the new City Hall project. To resolve this issue, she recommended Council approve the Relocation and Development Agreement contingent upon the execution of an addendum to the Agreement that specifies that the preferred site at 3rd and Williams Street shall only be acceptable as a permanent site for relocation of Our House program if the permanent facility includes the operation of a City-Year program. She recommended the City Council/Agency Board authorize the Executive Director to execute such an addendum. In addition, She requested staff to be sure the Development Agreement reflects a partnership between EHC/City-Year, and the Redevelopment Agency; that EHC/City-Year Team continue to work with the community to resolve the community concerns that have been related today; that a special focus be considered for opportunities to include additional historic homes as part of the site development. Should EHC/City-Year not be able to proceed at this site, the agreements must provide for continued pursuit of other options for that property. Should EHC/City Year cease to use the facility for the uses that are specific needs to "Our House" and to City-Year, she recommended the Development Agreement incorporate a clause insuring the property revert to the Redevelopment Agency and be used for residential, non-shelter uses. Upon motion by Council Member Chavez seconded by Council Member Williams and unanimously carried, the Purchase and Sale Agreements with the Emergency Housing Consortium, Inc., the South Third Street Partners, and the Agency Board were approved and execution of the agreements authorized; Resolution No. 70693 entitled: "Resolution of the Council of the City of San Jose Approving the Disposition of Property Located at the Northeast Corner of South Third and East William Streets to the Emergency Housing Consortium; Accepting the 33433 Summary Report; and Finding that the Disposition of the Property will Assist in the Elimination of Blight and that the Consideration for the Property is not Less than the Fair Reuse Value for the Proposed Use, with the Covenants and Conditions and Development Costs Authorized by the Relocation and Development Agreement", was adopted; Redevelopment Agency Board Resolution No. 5222 was adopted. Vote: 10-0-1-0. Absent: Dando.

ADJOURNMENT

The Council of the City of San Jose recessed at 3:50 P.M. and reconvened at 4:03 P.M. to consider Item 9.1.

RON GONZALES, MAYOR

ATTEST:

PATRICIA L. O'HEARN, CITY CLERK

RDA/MP